



Minutes

of the

Thames-Coromandel District Council

Ordinary Meeting

Date

13 March 2018

Venue

Council Chambers
515 Mackay Street
Thames

Present

SA Goudie (Mayor)

HD Bartley
SL Christie
S Peters
TM Walker

PA Brijevich
LA Fox
GR Simpson

In attendance

Name

Community Board Chairs

Dianne Connors, Paul Kelly, Peter Pritchard and Bob Renton.

Staff

Rob Williams, Angela Jane, Ariana Wickliffe, Scott Summerfield, Karl Dudley, Barry Smedts, Bruce Hinson, Donna Holland, Richard Elgie, Michelle Baker .

Meeting commenced

9:01am

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1 Meeting conduct

1.1 Apologies

An apology was received from Board Chair Coulam.

45/18
CL

Resolved

That the Thames-Coromandel District Council receives the apology from Board Chair Coulam.

Moved/seconded by: Simpson/Fox

1.2 Public forum

There were no speakers in the public forum.

1.3 Items not on the agenda

There were no items added to the agenda

1.4 Conflict of interest

No conflict of interests were declared.

2 Governance, Planning and Strategy

2.1 Adoption of 2018-2028 Long Term Plan Consultation Document and supporting information

Scott Summerfield, Policy and Planning Manager presented the outstanding information which supported the Long Term Plan consultation document for Council approval. Mr Summerfield tabled a memo of amendments to the Long Term Plan Consultation Document as a consequence of the audit.

46/18

Resolved

That the Thames-Coromandel District Council:

1. Receives the 'Adoption of 2018-2028 Long Term Plan Consultation Document and supporting information' report, dated 22 February 2018.
2. Approves the Financial Strategy and Infrastructure Strategy included as Attachments A and B respectively as supporting information for public consultation with the following updated summary capital and operating expenditure table in the Infrastructure Strategy and the noted typographical correction:

| Infrastructure Activity | Capital Expenditure | Operational Expenditure |
|---|--------------------------------|--------------------------------|
| Roads and Footpaths | \$356 million | \$656 million |
| Water Supply | \$117 million | \$385 million |
| Wastewater | \$156 million | \$546 million |
| Stormwater | \$85 million | \$118 million |
| Solid Waste | \$16 million | \$265 million |
| Community Facilities including Harbours | \$267 \$257 million | \$523 \$503 Million |
| Corporate and Commercial Buildings | \$30 million | \$70 Million |
| Total | \$1.02 billion | \$2.54 billion |

Page 42 under Wastewater Infrastructure Expenditure heading

- Change 2033/24 to 2033/34 in 2nd bulletpoint
3. Approves the financial statements included as Attachment C as supporting information for public consultation.
 4. Approves the Groups of Activities descriptions included as Attachment D as supporting information for public consultation.
 5. Approves the Development Contribution Policy schedule of fees and charges included as Attachment G as supporting information for public consultation.
 6. Adopts the revised financial forecasting assumptions below as the basis for development of the 2018-2028 Long Term Plan.

Table 3: Asset Revaluation Cumulative Inflation Predictors

| Year Ending | Roading | Community Activities | Water and Environmental Management | Planning and Regulation | Other |
|-------------|---------|----------------------|------------------------------------|-------------------------|--------|
| June 2019 | 4.00% | 3.40% | 4.20% | 3.80% | 4.20% |
| June 2020 | 6.30% | 5.50% | 6.80% | 6.00% | 6.30% |
| June 2021 | 8.60% | 7.70% | 9.20% | 8.20% | 8.50% |
| June 2022 | 11.10% | 10.00% | 11.80% | 10.50% | 10.80% |
| June 2023 | 13.70% | 12.40% | 14.50% | 12.90% | 13.20% |
| June 2024 | 16.50% | 14.90% | 17.40% | 15.50% | 15.70% |
| June 2025 | 19.40% | 17.60% | 20.40% | 18.20% | 18.40% |
| June 2026 | 22.50% | 20.40% | 23.60% | 21.00% | 21.30% |
| June 2027 | 25.80% | 23.30% | 27.00% | 23.90% | 24.20% |
| June 2028 | 29.30% | 26.50% | 30.60% | 27.00% | 27.40% |

| Topic | Forecasting assumptions | Risk | Level of uncertainty | Impact of risk | | | |
|------------------------------------|--|---|----------------------|--|------------------------------|--------|-------------|
| Interest rates on borrowing | Interest on existing and new borrowing is forecast as follows: | Interest rates will increase beyond those budgeted for in the 10 year long term plan. | Low | The cost per annum to the Council given a 1% increase in the interest rate is below: | | | |
| | Year ending | | | | Average cost of funds | | |
| | Jun-19 | | | | 5.71% | \$25M | \$250,000 |
| | Jun-20 | | | | 5.31% | \$50M | \$500,000 |
| | Jun-21 | | | | 4.85% | \$75M | \$750,000 |
| | Jun-22 | | | | 4.60% | \$100M | \$1,000,000 |
| | Jun-23 | | | | 4.69% | | |
| | Jun-24 | | | | 4.73% | | |
| | Jun-25 | | | | 4.70% | | |
| | Jun-26 | | | | 4.59% | | |
| | Jun-27 | | | | 4.71% | | |
| Jun-28 | 4.79% | | | | | | |

7. Adopts the audited 2018-2028 Long Term Plan Consultation Document with the corrections noted below since the agenda was distributed for public consultation from 16 March to 4pm 16 April 2018.
 - o Removed text is shown with ~~strike through~~ and new text is shown as highlight
 - Introduction section
 - o Wording change "~~The reserve is another Council asset that~~ Council has a responsibility to maintain the reserve's value, like all Council assets, for the benefit of both current and future ratepayers (to meet the local government principle of inter-generational equity)."
 - o Wording change "Please remember that the average total rates increase does not necessarily match the increase in rates for your property."
 - o Wording change "Each Community Board area also has its own local works and services rate that reflects the costs in each Community Board area for ~~the~~ community".
 - o Wording and grammar change "The average residential increases for each area were - Thames (52%), Whangamata (69%), ~~and~~ Whitianga (40%), Matarangi (32%), Pauanui (29%), Coromandel (29%)."
 - o Page number references have now been completed.
 - Infrastructure Strategy section
 - o Replace the summary expenditure table with the table listed under resolution clause 2.
 - What's a Long Term Plan section
 - o Replace "Our debate as the Thames-Coromandel District is about:" with "Key questions are:"
 - Financial Strategy section
 - o Tense and spelling changes "We propose ~~proposed~~ to maximise ~~maximize~~ the use of uniform rates to legislative limits reducing the complexity of the Council's Revenue and Financing Policy and rating system."

The big stuff - our significant proposals section

- o Addition of debt impact for each proposal as follows

Sub-regional aquatic facility

| | | | |
|--------------------|---|---|---|
| What will it cost? | This option will increase total Council debt by \$18.1 million. | This option will increase total Council debt by \$11.7 million. | This option will increase total Council debt by \$18.1 million. |
|--------------------|---|---|---|

Road maintenance - upgrading structures on formed Council owned roads

| | | | |
|--------------------|--|--|---|
| What will it cost? | This option will increase total Council debt by \$3.7 million. | This option will increase total Council debt by \$11.8million. | This option will increase total Council debt by \$16.7 million. |
|--------------------|--|--|---|

Wentworth Valley Road, Whangamata seal extension

| | | |
|--------------------|--|-----------------------------|
| What will it cost? | This option will increase total Council debt by \$1.3 million. | There is no impact on debt. |
|--------------------|--|-----------------------------|

Pottery Lane Extension, Coromandel

| | | |
|--------------------|--|-----------------------------|
| What will it cost? | This option will increase total Council debt by \$2.2 million. | There is no impact on debt. |
|--------------------|--|-----------------------------|

Totara Valley, Thames service extensions

| | | |
|--------------------|--|-----------------------------|
| What will it cost? | This option will increase total Council debt by \$2.8 million. | There is no impact on debt. |
|--------------------|--|-----------------------------|

Changes to who pays section

- o Wording change "We are recommending some changes to how we fund Council activities, including through our Revenue and Financing Policy and Rates Remissions Policy, as well as our fees and charges. As part of our consultation these two policies are available in full for submissions at www.tcdc.govt.nz/ltp Please take a look and give us your feedback on these proposed changes."

Thames section

- o Addition of debt impact for Rhodes Park proposal

Rhodes Park club rooms and grandstand, Thames

| | | |
|--------------------|--|-----------------------------|
| What will it cost? | This option will increase total Council debt by \$1.8 million. | There is no impact on debt. |
|--------------------|--|-----------------------------|

How we've prepared this document section

- o Wording change "The Long Term Plan includes projects like such as installing water meters on Council's network, requiring installation of efficient water fittings by some of our biggest users,"
8. Approves the Submission Form included as Attachment F for use in public consultation.
 9. Approves the Communications and Marketing Plan included as Attachment H.

Moved/seconded by: Simpson/Fox

Councillor Peters arrived at 9.09am

2.2 Amendments to Schedule A of the Parking Control Bylaw 2014 - Tararu Arts Centre

Council was asked to approve the amendments to schedule A of the Parking Control Bylaw 2014 for restricting long term parking at the Tararu Arts Centre.

47/18
CL

Resolved

That the Thames-Coromandel District Council:

1. Receives the 'Amendments to Schedule A of the Parking Control Bylaw 2014 - Tararu Arts Centre' report, dated 23 February 2018.
2. Approves an amendment to Schedule A of the Parking Control Bylaw 2014 to prohibit overnight parking between the hours of 12am and 6am every day at the Tararu Arts Centre reserve.

Moved/seconded by: Goudie/Fox

Destination Coromandel presentation

Hadley Dryden and Scott Lee presented Destination Coromandel's (DC) forward programme.

Mr Dryden noted that the focus for the next three years was predominantly around increasing visitor spend, continue delivering core business and proposing two new campaigns.

Mr Dryden explained that to deliver the management and campaigns, funding was required. He requested \$50,000 from TCDC and noted that \$15,000 would be sought from Hauraki District Council (HDC).

Mr Dryden also noted that DC would be presenting a case for allocating funds towards a product development role. He explained that this role should help achieve the industry vision. DC was not concerned with who should perform the role, but noted that if DC was to undertake this function a request would be made for \$75,000.

DC also requested a \$10,000 increase in funding for each i-SITE and 3% increase for the contracts.

Deputy Mayor Brljevich clarified if the request for \$50,000 was for both campaigns. Mr Dryden responded that the request was to cover both. Deputy Mayor Brljevich also questioned if the visitor spends was low due to the lack of accommodation available in the district. Mr Dryden responded that he was not sure if it was solely that reason but noted that providing a quality visitor experience would supersede any possible reasons.

Councillor McLean asked if DC had any conversations with other agencies for example New Zealand Transport Agency (NZTA) and Tourism New Zealand. Mr Dryden responded that he had a good relationship with the agencies and was looking to expand on that.

Mayor Goudie asked if DC considered freedom camping opportunities as a negative or positive. Mr Dryden responded that any visitors to the area was positive but understood that there was an impact to our infrastructure.

Mayor Goudie also queried the status of DC's current KPI's and financials. Mr Scott noted this would be provided with there their draft Business Plan at the end of March.

Rob Williams, Chief Executive requested that a workshop be held with DC to go through their three year plan at greater length.

3 Public excluded

48/18 Resolved

CL That the public be excluded from the following parts of the proceedings of this meeting namely:

| General subject of each matter to be considered | Reason for passing this resolution | Ground(s) under Section 48(1) for the passing of the resolution |
|---|---|---|
| 1877 Road Rates Agreement | (7)(2)(i) – Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). | (7)(2)(i) – Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). |

50/17

Resolved

CL

That the public be re-admitted to the meeting and resolutions taken with the public excluded be confirmed in the public session except for the following which are to remain in public excluded minute book.

Item Business

6.1 1877 Road Rates Agreement – Request to grant remission on outstanding rates.

Moved/seconded by: Goudie/Christie

Meeting closed at 10.17am

The foregoing minutes were certified as being a true and correct record of the meeting of the Thames-Coromandel District Council held on 13 March 2018.

Chairperson _____ **Date** _____